

This Page Is Inserted by IFW Operations
and is not a part of the Official Record

BEST AVAILABLE IMAGES

Defective images within this document are accurate representations of the original documents submitted by the applicant.

Defects in the images may include (but are not limited to):

- BLACK BORDERS
- TEXT CUT OFF AT TOP, BOTTOM OR SIDES
- FADED TEXT
- ILLEGIBLE TEXT
- SKEWED/SLANTED IMAGES
- COLORED PHOTOS
- BLACK OR VERY BLACK AND WHITE DARK PHOTOS
- GRAY SCALE DOCUMENTS

IMAGES ARE BEST AVAILABLE COPY.

**As rescanning documents *will not* correct images,
please do not report the images to the
Image Problem Mailbox.**



reliability, simplified maintenance and a greater versatility of machine variations. The Series E made possible the 1212, the first ten-way machine, a five-line model which pays left-to-right and right-to-left. Fifty different E models were available two years after its introduction, and the Bally firm plan to offer up to 250 model variations in the future.

In 1982 the Sound Machines, a new line of E models, were designated as the 2000E Series. A music chip added to the microprocessor provided a brief melody with each coin insertion, again when the reels spin and once more with each payout. These attention-getting slots are accompanied by brilliant futuristic graphics.

The Bally video slot was approved by the Nevada State Gaming Commission in December of 1982. Early the following year these machines were enhanced with clever animation, a practice already in use in their video arcade games. When a cherry pay is hit, three smiling faces appear on the fruit; on a bell award the clapper clangs back and forth; and when the bars align jackpot symbols explode. The Buck Rogers Age has visited the slot machine!

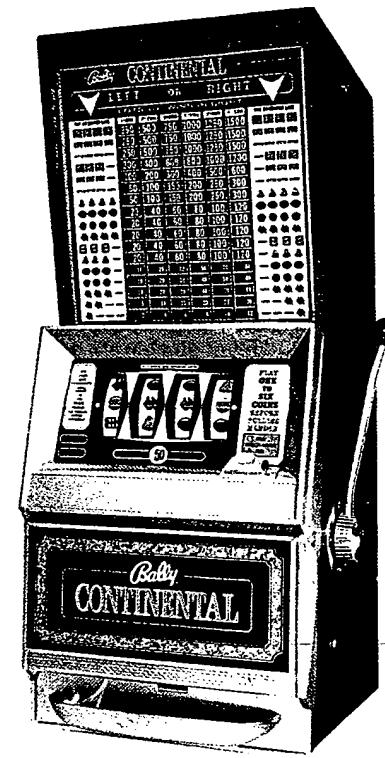
The first Bally video carousel was installed in the Las Vegas Golden Nugget. The 22-machine link progressive jackpot was started at \$1,001,000, tantalizing players with the dream of becoming an instant millionaire.

Bally, operating initially as Lion Manufacturing Corporation, has enjoyed instant success from the time they introduced their first machine, a pin game called BALLYHOO, in 1931. Ray Maloney, founder and president for almost three decades until his death, oversaw an endless string of amusement devices which included arcade equipment, kiddie rides, beverage vendors, popcorn vendors, gun games, bowling and shuffleboard machines. In the gaming field before the Johnson Act of 1951, Bally produced numerous counter games, horse race machines, console slots, trade stimulators and a combination nickel-quarter slot called the DOUBLE BELL.

In 1962 the Bally company was purchased by a group of investors headed by William O'Donnell, who had been the sales manager since 1958. The progressive company continued on with their large variety of coin-controlled machines, and innovation exploded in the mid-1960's with the development of numerous pace-setting slot machines. In December 1979 Bally further diversified by opening Park Place, a \$300 million resort hotel casino complex in Atlantic City, New Jersey. This proved to be unfortunate for O'Donnell, as he was denied a license by the New Jersey Casino Control Commission, forcing him to divest his interest in Bally and resign as board chairman. He was replaced by Robert Mullane. In 1981 Bally produced 96,000 Pac-Man machines, the biggest-selling video game ever until they sold more than 110,000 Ms. Pac-Man machines the following year.

Operating Bally's Park Place in Atlantic City introduced Bally to the potential of the hotel casino business. In the mid-1980's they increased their gaming properties purchasing the MGM Grands in Las Vegas and Reno - renaming them Bally's. In 1988 they acquired their fourth casino, the Atlantic City Golden Nugget, from Stephen Wynn. Concurrently, Bally began losing their monopoly in the production of slots after the advent of stepper driven reel machines. They received strong competition in this field from new companies that included Casino Electronic Inc., Sigma Games, Takasago, and especially International Game Technology and Universal Distributing. All the former manufacturers plus several others are also vying for the fast growing video slot market, which includes the increasingly popular draw poker machines.

Bally 1969
CONTINENTAL



*A third dynamic change,
left to right and
right to left pay,
revolutionized the format
of modern bell slots.*